

ALI JUMA RAMADHANI & COMPANY LIMITED

BUSINESS PLAN

2023-2026

1. Business Description

1.1. Background

The Tanzania transport sector plays a crucial role in the growth of the Tanzanian economy; it facilitates domestic and international trade, contributes to national integration, and provides access to jobs, health, education and other essential facilities. The transport system's effectiveness, appropriateness and adequacy contribute a great deal to the successful implementation of socioeconomic activities, the lowering of domestic production costs through timely delivery, and the enhancement of the economies of scale in the production process and creating economic opportunities. The economic opportunities include: ease of market access, strengthening of competition, promotion of trade and export, tourism and foreign investment contribution to government revenue and generation of a large number of employment opportunities. In the past five years, the transport sector in Tanzania has helped to integrate market-strengthening competition, increase access to farming techniques, promote trade, tourism, and foreign investment, and has contributed to the government revenue. The Tanzania transport sector's growth and performance have continued to improve due to both government efforts and private sector investment in road rehabilitation, expansion of telecommunications services, modernization of port services, and improvement in marine, railway and air transport services. This growth, however, should have been ahead of the overall economic performance (with a GDP growth of 6.9% in 2005 and an expected 7.9% by 2008), in order to avoid a situation where it could obstruct other sectors which demand transport services.

The Tanzania Road Transport Sub-sector

The geography of Tanzania, including its size, diversity and dispersion, give roads a special position in the integration of the national economy. In particular, roads serve rural areas, where the majority of the people live, more effectively than any other mode of transport. The current Tanzania Road Network length is about 85,000 km, which includes trunk and regional roads (35,000 km) managed by the Tanzania National Roads Agency (TANROADS), and the urban, district and feeder roads with a total of 50,000 km, managed by Local Government Authorities (LGA). There are also some unclassified

roads, such as those managed by the Tanzania National Parks Authority (TANAPA), and by the Mining Companies and village authorities; their total length is not readily available. As roads are essential in Tanzania for growth, poverty reduction, and promotion of trade, about ten years ago the government realized that the road network was becoming a bottleneck. Accordingly, in the last years the government instituted a number of reforms and, in collaboration with Development Partners, it has gradually invested in the transport sector, and particularly in the road sub-sector, which has markedly improved the condition of roads. For example, the proportion of roads in poor condition decreased from 49% in 2000 to 16% in December 2005, and during the same period overloading was reduced from 40% to fewer than 5% of all vehicles weighed.

At the same time, the private sector has become more involved in the execution of maintenance work, with outsourcing increasing from 92% in 2001 to 99% in 2005; this has contributed significantly toward poverty reduction.

However, the road national network remains inadequate, as it is faced with lack of sufficient funds for rehabilitation, upgrading and for routine maintenance, combined with increased traffic. As Mr. Fred Addo Abedi, TANROADS Chief Executive explains, “We need to increase the length of the paved network up to an optimum level where we would have a good balance between paved and unpaved roads. {xtypo_quote_right}.

We need to increase the length of the paved network up to an optimum level where we would have a good balance between paved and unpaved roads.{xtypo quote_right} That is why it is even necessary to ensure that investments are made prudently so that we build, then upgrade the roads to between standard or become paved.

We have to look at the economic impact so that this can support economic growth which in turn generates more money, which can then be used for its maintenance.” For this reason, the ongoing 10-year development program has been integrated into the Transport Sector Investment Program (TSIP). The 10-year sector development, that started around 2002, aims for the entire country’s road network to become paved (or at least all those roads which are paramount to economic development), ideally by 2025. As in other sub-sectors of transport, roads development tends not to be particularly attractive for private capital investment, and hence it is usually sustained by either government funds or by international donors. “What countries try to do is to find the roads that would be

profitable for the private sector, and let them out through various schemes, such as Build Operate Transfer (BOT), while the government looks after the other roads, which are still necessary,” explains Mr. Abedi.

1.2. About Ali Juma Ramadhani & Company Limited

Ali Juma Ramadhani & Company Limited is a private limited company incorporated under the Companies Act Cap 212 with certificate of incorporation number 119131 dated 28th July, 2015. The Company was issued with Tanzania Revenue Authority Tax Identification Number (TIN) 139-915-550. Also the company is fully filled all registration requirement needed by the Government and regulatory bodies. Like LATRA, TRA, etc

The Directors of the company has more than 15 years of experience in freight transport by road, thus creating a base of former customers that will refer new business.

1.3. Objectives

Ali Juma Ramadhani & Company Limited primary objectives are to provide all services related with Transportation, such as:-

- To provide efficient and affordable logistics services (Transportation).
- International transport services (Transit goods)
- To arrange transport services process all over the world
- To deliver cargo timely to exceed customer’s expectations
- To charge affordable rate of transports from one place to another.
- To ensure customer’s cargo are safety.
- Exceed customers' expectations for services.
- To be East Africa known transport agent.
- Develop a sustainable business that is profitable.

1.4.Mission

Ali Juma Ramadhani & Company Limited mission is to be the best providers of Transport services that are responsive to our client’s key business requirements. Delivering services in an economical, efficient and flexible way to allow the company to respond rapidly to both customer and market needs

1.5.Keys to Success

The primary keys to success for Ali Juma Ramadhani & Company Limited will base on the following factors:-

- Understand our customers.
- Provide the highest quality and prompt services.
- Effective communication customers through the social media and personalized Communication techniques.
- Retain customers to generate repeat purchases and initiate referrals.

2. Company Owners

The major shareholders of Ali Juma Ramadhani & Company Limited are Mr. Ali Juma Ramadhani, Abdallah Ali Juma and Halima Abdallah Shekhe who are also Directors of the company. As at 31st December 2023 the paid up share capital was amounting to TZS 5,000,000,000.

3. Operation Plan

The company office premises are located Plot 18, Block H Nkuhungu Road area Dodoma Region. The company started operations in 2015.

Ali Juma Ramadhani & Company Limited will invest in its employees and partners basing on their potentials for augmenting the company's business growth in both volume and profitability.

The operation of the company is classified as follows:-

- Managing Director: - Overall Management of the company.
- Accounts & Finance: - handles all accounting and financial management functions.
- Marketing : deal with customer experience, consulting and marketing
- Logistics departments
- Workshops and Mechanics section

The company commits to create and maintain true partnership with our customers and employees in order to satisfy mutual desire of all stakeholders, based on excellent services delivery. The company will always defending the Values of Honesty, Integrity and Professionalism. Also Ali Juma Ramadhani & Company Limited, will work with our customer and partners to establish their needs and objective, and once established we will take it upon ourselves to deliver desire results.

The company offer a standard and professional Transportations and tours services to individual and corporate clients at national and international level. The company will work hard to meet and surpass clients' expectations whenever they hire our services.

Our client's best interest would always come first, and everything we do is guided by our values and professional ethics. We will ensure that we have professionals who are well experienced in the Transportations and tours industry.

At all times the company will demonstrate her commitment to sustainability, both individually and as a firm, by actively participating in communities and integrating sustainable business practices wherever possible

The company will hold itself accountable to the highest standards by meeting client's needs precisely and completely. The company will cultivate a working environment that provides a human, sustainable approach to earning a living, and living in our world, for our partners, employees and for our clients.

4. Management and Organization

The Directors are responsible for the broad operating and financial policies of the company while the day to day management of the company is under the Managing Director who is closely assisted by the following:-

- Marketing Manager
- Accountant
- Reservation and Ticket Consultant

We have a team of self-motivated, hardworking and dedicated staff who can deliver at any time to satisfy customers' needs.

Managing Director

- Responsible for providing direction for the company
- Creating, communicating, and implementing the organization's vision, mission, and overall direction
- Leading the development and implementation of the overall organization's strategy.
- Responsible for handling high profile clients and deals
- Responsible for fixing prices and signing business deals
- Responsible for signing checks and documents on behalf of the company
- Evaluates the success of the organization
- Reports to the board

Marketing Manager

- Identify, prioritize, and reach out to new partners, and business opportunities etc
- Identifies development opportunities; follows up on development leads and contacts; participates in the structuring and financing of projects; assures the completion of development projects.
- Writing winning proposal documents, negotiate fees and rates in line with company policy
- Responsible for handling business research, market surveys and feasibility studies for clients
- Responsible for supervising implementation, advocate for the customer's needs, and communicate with clients
- Develop, execute and evaluate new plans for expanding increase sales
- Document all customer contact and information
- Represent the company in strategic meetings
- Help increase sales and growth for the company

Accountant

- Responsible for preparing financial reports, budgets, and financial statements for the organization

- Provides managements with financial analyses, development budgets, and accounting reports; analyzes financial feasibility for the most complex proposed projects; conducts market research to forecast trends and business conditions.
- Responsible for financial forecasting and risks analysis.
- Performs cash management, general ledger accounting, and financial reporting for one or more properties.
- Responsible for developing and managing financial systems and policies
- Responsible for administering payrolls
- Ensuring compliance with taxation legislation
- Handles all financial transactions for the company

Through facilitation and business development services, Ali Juma Ramadhani & Company Limited will undergo serious staff training with three major objectives for human resource development;

- a) To build the right skill and work culture – all staff will be trained with a view to developing staff who can offer the necessary range of specific job skills and whose attitudes towards their work and colleagues will enhance their productivity for the company and customers. Staff will be trained on the job by apprenticeship and in-house and off the job by participation in workshops and short courses
- b) To optimize staffing levels and skills, maintain supply and overcome human resource flux and scarcity.
- c) To build leadership capacity.

5. Product Mix

Ali Juma Ramadhani & Company Limited as a Transportation agent offers a wide range of services at its space. The company has a high level of expertise in transportation and this will provide superior personal services to all customers. Ali Juma Ramadhani & Company Limited takes pride in knowing that our main customer is World food Programs (WFP) who supply foods all over the Africa.

Our responsibility as Transportation agent professionals is to take the customers with reliable Transportation services and utilize our skills and resources to exceed the customers' expectations for service, value, functionality, and beauty.

Ali Juma Ramadhani & Company Limited is offering varieties of services within the scope of the transportation industry such as:-

- Transports of goods local and transit (East and South Africa)
- Logistics services
- Handling of customer's cargo
- Clearing and forwarding services

6. Market Analysis, Market Target, Promotion and Competition

Our market analysis, market target, promotion tools and competitions will be as follows:-

6.1 Market Trend

The Transportations and tours industry is in a continuous state of evolution and as such, ground breaking strategies and ideas that are once highly successful are no longer as productive as they were in time past. Close observation of the trend in the industry reveals that the past few years have seen the rise and proliferation of social media and new tech tools.

The trend also extends to increased attention paid to engagement and new market segments, adopting eco-friendly measures and sustainability when planning Transportations and tours events.

As a matter of fact, social media has now become one of the most important tools Transportations and tours agencies leverage on to disseminate information about their Transportations and tours events, interact with clients, solicit feedback, and create year-round engagement with their target audience.

Furthermore, new software apps and emerging technology have made it easier for Transportation and tours agencies to gather all the needed data and information that will help them plan and project for the future.

One thing is certain when it comes to Transportation agency business, you are sure of making profits in form of commissions when you are able to successfully rent the vehicle or hire vehicle to transport goods, and any other Transportation related services for a client. You are going to get your cut as soon as they make payment.

The truth is that, the cost of running a Transportation agency can be kept to the barest minimum because there are always ways you can cut operational and overhead cost.

6.2. Our Target Market

The demographic and psychographics composition of Transportation agencies cuts across people from all works of life; there is no clear distinction on those that would naturally need the services of Transportation agencies. Although a Transportation agency might decide to concentrate on high – income earning clients, and another Transportation agency might only concentrate on corporate clients.

The bottom line is that anyone that can afford to Transportation from one country to another is a potential client for Transportation agencies.

As an all – round Transportation, Ali Juma Ramadhani & Company Limited offers a wide range of services, staff are well trained and equipped to services a wide range of clientele base. Our target market cuts across people of different class and people from all walks of life, local and international organizations as well.

6.3. Our Competitive Advantage

The level of competitions in the Transportation agency line of business depends largely on the location of the business and of course the niche of your Transportation agency. If you can successfully create a unique brand identity for your Transportation agency or carve out a unique market, you are likely going to experience less competition.

The competition in the Transportation agency line of business is not just within Transportation agencies but also other Transportation related service providers.

We are quite aware that to be highly competitive in the Transportations and tours industry means that we should be able to deliver consistent quality service, our clients should be able to experience remarkable difference cum improvement and we should be able to meet the expectations of both Transportations / tourists and our partners (services providers).

We will continue to strengthen ourselves in these areas and others so as to increase our market share as time goes. Our competitors' strategies will also be analyzed from time to time so as to stay ahead of them in every important aspect of this business.

6.4 Competitive Comparison

Despite many competitors in the city and in the country but we have analyzed our competitors very well and the following are our strengths over our competitors that have enabled us to acquire customers and retain them:-

- Better service delivery system
- We have invested a lot in developing relationship with our current and potential customers.
- We reach all customers even those outside the city center unlike most of our competitors.
- Bigger vision, we have a plan to reach other regions outside Dar es Salaam even outside Tanzania to the countries like Burundi, Rwanda etc.
- We have better expertise than most of our competitors.

6.5. Marketing & Promotion (Sales Strategy)

The company had been able to work with brand and publicity consultants to help map out publicity and advertising strategies that will help the company to walk way into the heart of target market. We are set to take the Transportations and tours industry by storm which is why we have made provisions for effective publicity and advertisement of our Transportations and tours agencies.

Below are the platforms we intend to leverage on to promote and advertise Ali Juma Ramadhani & Company Limited:-

- Place adverts on both print (community based newspapers and magazines) and electronic media platforms
- Sponsor relevant community based events / programs
- Leverage on the internet and social media platforms like; Instagram, Facebook , twitter, YouTube, Google + et al to promote our brand
- Install Bill Boards on strategic locations
- Engage in road show from time to time
- Distribute our fliers and handbills in target areas

- Ensure that all our workers wear our branded shirts and all our vehicles are well branded with our company's logo et
- Personal Selling through creation of relationships with individuals who are potential customers.

6.6. Pricing Strategy

The norm in this industry is that, bid tender from our client to transport goods from one place to another so the price will depend with market value and distance where the goods supposed to be delivered

7. Business Positioning

Ali Juma Ramadhani & Company Limited believes in offering excellent customer service and high-quality services products as one of the major factors to keep any entity alive and in progressive success. We value customers complains and opinions, we normally work on their feedback and because of this we have managed to retain most of our customers and be able to acquire new ones. We will continue to invest more in customers' satisfaction and technology to match with the demand and make us stand out of crowd.

8. Financing

The company owners committed substantiate investment towards the company. As at 31st December 2022 main source of financing is equity and retained profits.

The company is now required to expand its operations by buying ticket and make hotel reservation for end of the year vacation.

Ali Juma Ramadhani & Company Limited need to expand and therefore need financial assistance in terms of Overdraft a in order to meet our expectations as follows:-

S/N	Type of Facility	Amount-TZS	Purposes
1.	Loan	1,500,000,000	To facility the operation of business by buying more vehicles

Our qualification for the facilities requested

- **Character** – we bear a very good history.
- **Capacity**– can be evidenced by our account operations. Considering that we are able to meet the monthly obligation of these facilities.
- **Capital** – We have the capital to run out business.
- **Condition**– the facility is purely for business needs as indicated.
- **Collateral/Security** – the facilities will be secured by a property Plot No. 18 Block H located at Nkuhungu road in Dodoma in the name of the Directors of the company.
- **Management** – we have skills and expertise in running the business.
- **Financial progress** - Ali Juma Ramadhani & Company Limited has been experiencing positive trend in profit making and new entry markets since incorporated.

9. Financial Plan

The financial projections for the company have been conservatively prepared basing on the industry and company trends to allow the company to develop its clientele base and establish its name within the market. The following assumptions have been applied in making the projections:-

- The owner's equity as at 31st December 2023 was 2.5 billion and will increase to TZS 5 Billion in next four years.
- Sales will increase at 60% per annum.
- Direct costs will increase by 12% yearly
- Debtors will be maintained at 20% of the total contract revenue.
- Trade creditors will be maintained at an average of 30% of direct costs and other expenses.
- The company will secure loan of TZS 1.5 billion from reputable bank (CRDB).
- There will be effective promotion strategies.

10. Income Statement

The projected statement of income and expenditure demonstrates a profit during entire period of the business plan.

11. Balance Sheet

The balance sheet states affairs of the company as at particular date. The projected balance sheet of the Ali Juma Ramadhani & Company Limited indicates a healthy state of affairs throughout the period of five years. The assets of the company grow gradually from TZS 500,000,000.00 from 2015 to TZS 5,000,000,000 million as at the end of 2023. The table below Appendix 1 shows the list of vehicles owned by the company, attached with registration cards.

12. Cash flow Statement

Cash flow analysis of the company indicates a positive net cash flow during the entire projected period of four years. Company annual turnover of Tanzania shilling fifteen billion for year 2023 (15,000,000,000.00)

LIST OF COMPANY VEHICLES				
S/n	Reg. No	Registered On	Make	Model
1	T972AVC	31-May-08	TRAILER	TRAILER
2	T318AWH	02-Sep-08	TRAILER	TRAILER
3	T417BYL	08-Feb-12	TRAILER	TRAILER
4	T138CEK	31-Oct-12	TRAILER	TRAILER
5	T773DDQ	09-Apr-15	Scania	TRUCK HEAD
6	T730DDR	13-Apr-15	Scania	TRACTOR
7	T746DDR	13-Apr-15	TRAILER	TRAILER
8	T751DDR	13-Apr-15	TRAILER	TRAILER
9	T752DDR	13-Apr-15	TRAILER	TRAILER
10	T126DEK	26-Jun-15	Scania	124-420
11	T254EDC	09-May-17	Toyota	LANDCRUISER PICKUP
12	T442DLW	22-Dec-17	Scania	R420
13	T859DLZ	11-Jan-18	SEMI TRAILER	TRAILER
14	T860DLZ	11-Jan-18	SEMI TRAILER	TRAILER
15	T261DMG	19-Feb-18	Scania	R420
16	T241DMM	21-Mar-18	TRAILER	TRAILER
17	T930DMM	24-Mar-18	SDC	TRAILER
18	T362DMV	08-May-18	Scania	R440
19	T869DMV	10-May-18	Scania	R440
20	T316DPE	07-Nov-18	Scania,	Tractor,
21	T319DPE	07-Nov-18	TRAILER	TRAILER
22	T322DPE	07-Nov-18	TRAILER	TRAILER
23	T542DPE	08-Nov-18	Scania,	Tractor,
24	T237DQK	12-Apr-19	Scania	R420
25	T240DQK	12-Apr-19	Scania	R420
26	T764DQR	22-May-19	Scania	3-AXLE-ARTIC
27	T766DQR	22-May-19	Scania	3-AXLE-ARTIC
28	T769DQR	22-May-19	TRAILER	FLAT BED
29	T770DQR	22-May-19	TRAILER	FLAT BED
30	T771DQR	22-May-19	TRAILER	FLAT BED
31	T772DQR	22-May-19	TRAILER	FLAT BED
32	T773DQR	22-May-19	TRAILER	FLAT BED
33	T134DQT	29-May-19	Scania	G440 6X2
34	T491DRK	26-Aug-19	Scania	3-AXLE-ARTIC
35	T504DRP	13-Sep-19	Scania	3-AXLE-ARTIC
36	T696DSV	18-Feb-20	FLATBED	SEMI TRAILER,..
37	T697DSV	18-Feb-20	FLATBED	SEMI TRAILER,..
38	T698DSV	18-Feb-20	FLATBED	SEMI TRAILER,..
39	T699DSV	18-Feb-20	FLATBED	SEMI TRAILER,..
40	T742DYU	18-Mar-22	TRAILER	TRAILER
41	T110DYZ	11-Apr-22	Scania	P 380
42	T176DYZ	12-Apr-22	Scania	143-450
43	T177DYZ	12-Apr-22	Scania	143-450
44	T189DYZ	12-Apr-22	Scania	R440
45	T721DYZ	14-Apr-22	TRAILER	TRAILER
46	T844DYZ	14-Apr-22	Scania	R400
47	T488DZQ	29-Jun-22	TRAILER	TRAILER
48	T459DZR	05-Jul-22	Scania	R420
49	T346DZT	14-Jul-22	Scania	P230
50	T772EBF	16-Dec-22	VERCOE	XZVTA
51	T774EBF	16-Dec-22	VERCOE	XZVTA
52	T776EBF	16-Dec-22	VERCOE	XZVTA
53	T778EBF	16-Dec-22	VERCOE	XZVTA
54	T784EBF	16-Dec-22	VERCOE	XZVTA
55	T789EBF	16-Dec-22	VERCOE	XZVTA
56	T385EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
57	T386EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
58	T387EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
59	T389EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
60	T403EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
61	T407EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
62	T412EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
63	T416EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
64	T417EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
65	T421EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
66	T422EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
67	T430EBG	19-Dec-22	FAW..	CA4256P1K15T1EYA80..
68	T672EBL	06-Jan-23	VERCOE	XZVTA
69	T676EBL	06-Jan-23	VERCOE	XZVTA
70	T765EBL	06-Jan-23	VERCOE	XZVTA
71	T766EBL	06-Jan-23	VERCOE	XZVTA
72	T296ECA	28-Feb-23	TRAILER	TRAILER
73	T298ECA	28-Feb-23	TRAILER	TRAILER
74	T622ECR	05-May-23	Scania	P6X2
75	T624ECR	05-May-23	Scania	P6X2
76	T135EDY	01-Sep-23	TRAILER	TRAILER
77	T136EDY	01-Sep-23	TRAILER	TRAILER
78	T963EEA	12-Sep-23	TRAILER	TRAILER
79	T966EEA	12-Sep-23	TRAILER	TRAILER
80	T967EEA	12-Sep-23	TRAILER	TRAILER
81	T968EEA	12-Sep-23	TRAILER	TRAILER